

Message Text

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PAGE 01 OSLO 01165 090717Z
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-08
EA-10 FRB-03 INR-10 IO-13 NEA-10 NSAE-00 USIA-06
OPIC-03 SP-02 TRSE-00 LAB-04 SIL-01 AGRE-00
OMB-01 SS-15 SOE-02 DODE-00 DOE-11 H-01 INT-05
L-03 NSC-05 PM-05 OES-07 STR-07 ACDA-12 /163 W
-----027926 092159Z /62

R 090641Z MAR 78
FM AMEMBASSY OSLO
TO SECSTATE WASHDC 5396
INFO AMEMBASSY COPENHAGEN
AMEMBASSY PARIS
AMEMBASSY STOCKHOLM

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PARIS FOR USOECD

E.O. 11652: NA
TAGS: ENRG, NO
SUBJ: QUOTE GOLD BLOCK UNQUOTE POLITICAL BY-PLAY

REF: OSL 5354

1. AS REPORTED, THE GON DECIDED SEVERAL WEEKS AGO TO AWARD
BLOCK 34/10 DURING THE NEXT CONTINENTAL SHELF LEASING ROUND
TO THE NATIONAL OIL COMPANY, STATOIL, AND TO NORSK-HYDRO
(50 PERCENT STATE-OWNED) AND SAGA PETROLEUM (PRIVATE) ON
AN 90-5-5 PERCENT BASIS. THIS REFLECTED A COMPROMISE BETWEEN
THE LABOR PARTY'S LEFT WING (AUF) WHICH, LIKE THE SOCIALIST
LEFT (SV), WANTS 100 PERCENT STATE OWNERSHIP AND THE PREFERENCE
OF THE LABOR MODERATES FOR 85 PERCENT STATE PARTICIPATION.
SUBMITTED TO THE STORTING FOR APPROVAL, THE PROPOSAL NOW
THREATENS TO DEMONSTRATE ANEW THE EASE WITH WHICH NORDLI'S
MINORITY GOVERNMENT CAN BE EMBARRASSED BY THE SMALL, BUT
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VOCAL LEFT WING.

2. IN DISCUSSIONS OVER THE LAST WEEK, THE TWO SV STORTING REPRE-
SENTATIVES HAVE, IN RATHER PUBLIC FASHION, MOVED TOWARD A DECISION
TO VOTE AGAINST THE NORDLI GOVERNMENT WHEN A VOTE IS TAKEN ON
THE 90-5-5 SPLIT ON MARCH 16. BECAUSE THE CONSERVATIVE PARTY
HAS SAID THAT IT WILL NOT AGREE TO A 90-5-5 SPLIT, THAT THE MOST

STATE PARTICIPATION IT WILL ACCEPT IS 85-9-6, AND NORDLI HAS ALREADY INDICATED THAT HE WILL PAY THIS PRICE FOR CONSERVATIVE SUPPORT IF HE MUST, THE SV STORTINGSMEN SEEM DETERMINED TO CUT OFF THEIR NOSE TO SPITE THEIR FACE. OTHERS IN THE PARTY LEADERSHIP ARE NOT, HOWEVER, AND A FINAL DECISION HAS NOT YET BEEN TAKEN.

3. THE REALLY COMPLICATING FACTOR IS THE DECISION BY THE AUF TO VOTE AGAINST THEIR OWN PARTY (LED IN THIS INSTANCE BY KJELL HELLEND) IF THE 90-5-5 PROPOSAL FAILS. HELLEND AND REPORTEDLY 7-10 OTHERS HAVE SAID THEIR ONLY FALLBACK POSITION WILL BE 100 PERCENT OWNERSHIP FOR STATOIL.

4. COMMENT: THUS, IF SV DECIDES TO VOTE AGAINST THE LABOR PARTY, NORDLI MUST PUBLICLY PAY FOR CONSERVATIVE SUPPORT ON A MATTER OF PRINCIPLE AND BE SEEN AS UNABLE TO CONTROL HIS OWN PARTY ON A MEASURE WITH NO ECONOMIC BU SUBSTANTIAL SYMBOLIC IMPORTANCE. ON THE OTHER HAND, IF SV DECIDES OVER THE NEXT WEEK TO SUPPORT THE GOVERNMENT, AS IT MAY YET DO IF ONLY TO QUOTE HELP UNQUOTE NORDLI OUT OF THE EMBARRASSING POSITION THE AUF HAS PUT HIM IN, NORDLI CLEARLY- AND AGAIN PUBLICLY- HAS ACQUIRED A DEBT. WE ARE TOLD, HOWEVER, THAT IT WAS NOT AUF'S INTENTION TO EMBARRASS NORDLI AT THIS TIME; ONLY EAGERNESS TO DEMONSTRATE SOUND SOCIALIST PRINCIPLE THAT LED TO A TACTICAL BLUNDER THAT WILL HAVE NORDLI APPEARING TO LOSE NO MATTER HOW THE ISSUE TURNS OUT.

LERNER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOLD, CONTINENTAL SHELF, OFFSHORE DRILLING, LONG TERM LEASES
Control Number: n/a
Copy: SINGLE
Draft Date: 09 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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From: OSLO
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1978/newtext/t19780388/aaaacwce.tel
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Review Exemptions: n/a
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Review Withdrawn Fields: n/a
SAS ID: 3387405
Secure: OPEN
Status: NATIVE
Subject: QUOTE GOLD BLOCK UNQUOTE POLITICAL BY-PLAY
TAGS: ENRG, NO
To: STATE
Type: TE
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